

Title 32 - Professions and Occupations

Chapter 26 SECURITY GUARDS

Article 1 General Provisions

32-2601. Definitions

In this chapter, unless the context otherwise requires:

1. **"Advertising"** means submitting bids, contracting or making known by any public notice, publication or solicitation of business, directly or indirectly, that services regulated under this chapter are available for consideration.
2. **"Agency license"** means a certificate that is authenticated by the department and that attests that a qualifying party is authorized to conduct the business of private security guard service in this state.
3. **"Applicant"** means a person who has submitted a completed application and all required application and fingerprint processing fees.
4. **"Armed security guard"** means a registered security guard who wears, carries, possesses or has access to a firearm at any time during the course of employment.
5. **"Associate"** means a person who is a partner or corporate officer in a security guard agency.
6. **"Board"** means the private investigator and security guard hearing board established pursuant to section 32-2404.
7. **"Conviction"** means an adjudication of guilt by a federal, state or local court resulting from trial or plea, including a plea of no contest, regardless of whether or not the adjudication of guilt was set aside or vacated.
8. **"Department"** means the department of public safety.
9. **"Director"** means the director of the department of public safety.
10. **"Emergency action"** means a summary suspension of a license pending revocation, suspension or probation in order to protect the public health, safety or welfare.
11. **"Employee"** means an individual who works for an employer, is listed on the employer's payroll records and is under the employer's direction and control.
12. **"Employer"** means a person who is licensed pursuant to this chapter, who employs an individual for wages or salary, who lists the individual on the employer's payroll records and who withholds all legally required deductions and contributions.
13. **"Identification card"** means a card issued by the department to a qualified applicant for an agency license, to an associate or to a registrant.
14. **"Letter of concern"** means an advisory letter to notify a licensee or registrant that while there is insufficient evidence to support probation, suspension or revocation of a license or registration the department believes the licensee or registrant should modify or eliminate certain practices and that continuation of the activities that led to the information being submitted to the department may result in further disciplinary action against the person's license or registration.
15. **"Licensee"** means a person to whom an agency license is granted pursuant to article 2 of this chapter.
16. **"Private security guard service"** means any agency, individual or employer in the business of furnishing to the public for hire, fee or reward dogs, watchmen, patrol service, private security guards or other persons to protect human life or to prevent the theft or the misappropriation or concealment of goods, wares, merchandise, money, bonds, stocks, notes, choses in action or other property, valuable documents, papers and articles of value.

17. "Proprietary company" means a company that employs security guards or armed security guards solely for use of and service to itself and not for others.

18. "Qualifying party" means the individual who meets the qualifications under this chapter for an agency license.

19. "Registrant" means an employee of a licensed agency who is qualified to perform the services of a security guard.

20. "Registration certificate" means a certificate that is authenticated by the department and that attests that an employee of a business holding an agency license has satisfactorily complied with article 3 of this chapter.

21. "Restructuring" means any change in a business' legal status.

22. "Security guard" means any person employed by a private security guard service or proprietary company as a watchman, patrolman, bodyguard, personal protection guard, private security guard or other person who performs security guard services, but does not include any regularly commissioned police or peace officer or railroad police appointed pursuant to section 40-856.

23. "Unprofessional conduct" means any of the following:

(a) Engaging or offering to engage by fraud or misrepresentation in activities regulated by this chapter.

(b) Aiding or abetting a person who is not licensed or registered pursuant to this chapter in representing that person as a security guard in this state.

(c) Gross negligence in the practice of a security guard.

(d) Failing or refusing to maintain adequate records on a client containing at least sufficient information to identify the client, the dates of service, the fee for service and the payments for service.

(e) Committing a felony or a misdemeanor involving any crime that is grounds for denial, suspension or revocation of a security guard agency license or employee registration certificate. In all cases, conviction by a court of competent jurisdiction or a plea of no contest is conclusive evidence of the commission.

(f) Making a fraudulent or false statement to the department, the board or the department's investigators, staff or consultants.

32-2602. Administration by director; duty to keep records; rules; criminal history records checks

A. The director of the department of public safety shall administer this chapter.

B. The department shall keep a record of:

1. All applications for licenses or registration under this chapter.

2. Whether a license, registration certificate, renewal license or renewal registration certificate has been issued under each application.

3. If a license or registration certificate is revoked or suspended, the date of filing the order for revocation or suspension.

4. A list of all individuals, qualifying parties, firms, partnerships, associations or corporations that have had licenses or registrations revoked or suspended and a written record of complaints filed against any licensees or registrants.

5. All insurance policies required to be filed under this chapter.

C. The department shall maintain all records kept pursuant to subsection B of this section for at least five years. The records, except the financial statement of licensees, are open to inspection as public records.

D. The department shall adopt and enforce rules that are not in conflict with the laws of this state and that are necessary to enforce this chapter.

E. The director may conduct periodic criminal history records checks pursuant to section 41-1750 for the purpose of updating the licensing and registration status of current license and registration holders.

32-2605. Power of local authorities

This chapter does not prevent any political subdivision of this state from prescribing additional requirements for regulation of security guard agencies, but the political subdivision may not assess an additional fee.

32-2606. Exceptions

This chapter does not apply to:

1. An officer or employee of the federal government, this state or a political subdivision of this state while the officer or employee is performing official duties.
2. An individual who performs security related work at:
 - (a) A commercial nuclear generating station that is subject to federal regulatory requirements.
 - (b) A company that is subject to department of defense regulatory requirements.
3. A company that employs security guards solely for use of and service to itself and not for others and that complies with the following requirements:
 - (a) If the company's security guards are armed, each guard must complete sixteen hours of firearms training initially and complete an additional eight hours of refresher training each year thereafter.
 - (b) If the security guard wears a uniform or badge, the uniform or badge must strictly conform to the standards established by the department pursuant to this chapter.
 - (c) The company must annually submit an affidavit to the department that attests to the company's compliance with its internal procedures that require a background investigation for each of its security guards.
4. The Arizona rangers organization as identified in section 41-4201, or authorized persons performing official Arizona ranger duties when in the service of a nonprofit organization recognized under section 501(c)(3) of the internal revenue code.

32-2607. Fees; renewal of license or registration certificate

A. The department shall charge and collect reasonable fees as determined by the director to cover the operational and equipment costs of regulating the security guard industry.

B. An agency license granted under this chapter may be renewed after receiving an application on such form as the department prescribes, receipt of the fees prescribed pursuant to subsection A of this section and proof of required liability insurance and workers' compensation. Except as provided in section 32-4301, in no event shall renewal be granted more than ninety days after the expiration date of a license. No person, firm, company, partnership or corporation may carry on any business subject to this article during any period that may exist between the date of expiration of a license and the renewal of the license.

C. A security guard or armed security guard registration certificate granted under this article may be issued after application on such form as the department prescribes, the payment of fees prescribed pursuant to subsection A of this section and proof of the completion of training as required by this chapter.

D. A security guard or armed security guard registration certificate granted under this article may be renewed after application on such form as the department prescribes and the payment of renewal fees.

E. Except as provided in section 32-4301, the department shall not renew an agency license or registration certificate more than ninety calendar days after expiration. A licensee or registrant shall not engage in any activity regulated by this chapter during any period between the date of expiration of the license or registration and the renewal of the license or registration.

F. The department may renew a suspended license or registration as provided in this chapter. While suspended, the renewal of the license or registration does not entitle the licensee, security guard or armed security guard to engage in any activity regulated by this chapter or in any other activity or conduct in violation of the order or judgment that suspended the license or registration certificate.

G. The department shall not renew a revoked license or registration certificate. The department shall not accept an application for a license or registration from a person whose license or registration has been revoked until at least one year after the date of revocation.

32-2608. License or registration required; violation; classification

A. A person, except a regularly commissioned peace officer, shall not act or attempt to act or represent that the person is a security guard unless the person is registered as a security guard pursuant to this chapter and is acting within the scope of the person's employment for an agency licensed pursuant to article 2 of this chapter.

B. A person who knowingly violates this section is guilty of a class 1 misdemeanor.

32-2609. Good cause exceptions for felony offenses

A. The board may grant a good cause exception for a felony offense if ten or more years have passed since the person completed all terms of sentencing and if the person shows at a hearing to the board's satisfaction that the person is not awaiting trial on or has not been convicted of committing any of the offenses listed in section 41-1758.03, subsection B. Before granting a good cause exception at a hearing the board shall consider all of the following in accordance with board rule:

1. The extent of the person's criminal record.
2. The length of time that has elapsed since the offense was committed.
3. The nature of the offense.
4. Evidence supporting any applicable mitigating circumstances.
5. Evidence supporting the degree to which the person participated in the offense.
6. Evidence supporting the extent of the person's rehabilitation, including:
 - (a) Completion of probation, parole or community supervision.
 - (b) Whether the person paid restitution or other compensation for the offense.
 - (c) Evidence of positive action to change criminal behavior, such as completion of a drug treatment program or counseling.
 - (d) Personal references attesting to the person's rehabilitation.

B. If seeking a good cause exception, at least five days before the hearing the applicant shall submit to the department any evidence the applicant will be presenting at the hearing.

32-2610. Reciprocal agreements; recognition

A. The department may enter into a reciprocal agreement with a state that has security guard qualification laws substantially similar to this chapter to allow a security guard registration to

be used by the registrant within the jurisdiction of either this state or the other state. The department may enter into the agreement if the issuing authority for the other state meets all of the following conditions:

1. Issues a security guard identification card with an expiration date printed on the card.
2. Is available to verify the registration status for law enforcement purposes within three business days after a request for verification.
3. Has disqualification, suspension and revocation requirements for registrations.
4. Requires that the applicant for a registration submit to a criminal history records check pursuant to section 41-1750 and applicable federal law.

B. The department may recognize security guard registrations from states that have security guard qualification laws substantially similar to this chapter if the issuing authority for the other state meets all of the conditions prescribed in subsection A, paragraphs 1 through 4 of this section.

C. The reciprocal agreement or recognition shall be limited and is intended only to allow security guard agencies that maintain business operations in multiple states to use their security guards to meet temporary demands. For a security guard from another state to work in this state, the department shall set appropriate restrictions that shall include the following provisions:

1. The security guard shall possess a security guard registration in good standing from another state.
2. The security guard shall be employed by a security guard agency licensed in this state that possesses a security guard agency license in both states in good standing.
3. The security guard shall work no more than thirty days in a calendar year in this state.
4. The security guard agency shall provide written notification to the department on a form provided by the department.
5. Security guards who possess only a temporary or provisional registration shall not be permitted to work in this state.

Article 2 Agency Licensing

32-2611. Necessity of an agency license

A person shall not engage in a business regulated by this chapter or act, assume to act as or represent himself to be a licensee unless the person is licensed pursuant to this chapter.

32-2612. Qualifications of applicant for agency license; substantiation of work experience

A. Each applicant, if an individual, or each associate, director or manager, if the applicant is other than an individual, for an agency license to be issued pursuant to this chapter shall:

1. Be at least twenty-one years of age.
2. Be a citizen or a legal resident of the United States who is authorized to seek employment in the United States.
3. Not have been convicted of any felony or currently be under indictment for a felony.
4. Within the five years immediately preceding the application for an agency license, not have been convicted of any misdemeanor act involving:
 - (a) Personal violence or force against another person or threatening to commit any act of personal violence or force against another person.
 - (b) Misconduct involving a deadly weapon as provided in section 13-3102.
 - (c) Dishonesty or fraud.

(d) Arson.

(e) Theft.

(f) Domestic violence.

(g) A violation of title 13, chapter 34 or 34.1 or an offense that has the same elements as an offense listed in title 13, chapter 34 or 34.1.

(h) Sexual misconduct.

5. Not be on parole, on community supervision, on work furlough, on home arrest, on release on any other basis or named in an outstanding arrest warrant.

6. Not be serving a term of probation pursuant to a conviction for any act of personal violence or domestic violence, as defined in section 13-3601, or an offense that has the same elements as an offense listed in section 13-3601.

7. Not be either of the following:

(a) Adjudicated mentally incompetent.

(b) Found to constitute a danger to self or others pursuant to section 36-540.

8. Not have a disability as defined in section 41-1461, unless that person is a qualified individual with a disability as defined in section 41-1461.

9. Not have been convicted of acting or attempting to act as a security guard or a security guard agency without a license if a license was required.

B. The qualifying party for an agency license and the resident manager, if a resident manager is required, shall have at least three years of full-time experience as a manager, supervisor or administrator of a security guard agency or three years of full-time supervisory experience with any federal, United States military, state, county or municipal law enforcement agency. The qualifying party for an agency license and the resident manager, if a resident manager is required, must substantiate managerial work experience claimed as years of qualifying experience and provide the exact details as to the character and nature of the experience on a form prescribed by the department and certified by the employer. On written request, an employer shall submit to the employee a written certification of prior work experience within thirty calendar days. The written certification is subject to independent verification by the department. If an employer goes out of business, the employer shall provide registered employees with a complete and accurate record of their work history. If an applicant is unable to supply written certification from an employer in whole or in part, the applicant may offer written certification from persons other than an employer covering the same subject matter for consideration by the department. The burden of proving the minimum years of experience is on the applicant.

C. The department may deny an agency license if the department determines that the applicant is unfit based on a conviction, citation or encounter with law enforcement for a statutory violation.

32-2613. Application for agency license; financial responsibility; notice and opportunity to supply additional information

A. Every application for an original or renewal agency license to operate as a private security guard service shall set forth verified information to assist the department in determining the applicant's ability to meet the requirements set forth in this chapter and shall include the following:

1. The full name and business address of the applicant.

2. The name under which the applicant intends to do business.

3. A statement as to the general nature of the business in which the applicant intends to engage, including identification of armed security guard training requirements and identification of employees acting as armed security guards.
 4. Photographs of the applicant of a number and type prescribed by the department.
 5. Fingerprints of the applicant of a quality and number prescribed by the department for the purpose of obtaining state and federal criminal records checks pursuant to section 41-1750 and Public Law 92-544. The department may exchange this fingerprint data with the federal bureau of investigation. The department may conduct periodic state criminal history checks to ensure continued qualification under this chapter.
 6. A verified statement of the applicant's experience and qualifications.
 7. Such other information, evidence, statements or documents as may reasonably be required by the director.
- B. If the applicant is other than an individual, each of its partners, resident officers, associates, directors and managers, in addition to its qualifying party, shall comply with the requirements of subsection A of this section. If the applicant is other than an individual, the application shall contain the full name and address of each of its board members, the president, vice-president, secretary and treasurer. The person who will manage the business conducted in this state shall comply in full with the requirements of subsection A of this section.
- C. An application for an original or a renewal agency license shall be accompanied by:
1. The fee as prescribed pursuant to section 32-2607.
 2. A certificate of a liability insurance policy, issued by an insurance company licensed or authorized to do business in this state. The minimum limits of such liability insurance policies shall be established by the department. Any insurer issuing such a policy shall give written notice to the department of any cancellation of such policy. Such notice shall be given by the insurer to the director at least ten days before such cancellation by certified mail.
 3. A certificate of workers' compensation insurance.
 4. A completed form describing the agency's training program for employees as described in section 32-2632, subsection A, including training requirements for and identification of armed security guards employed by the agency. The form shall be as prescribed by the director and require such information as the director deems necessary.
- D. If an application is incomplete, the department shall notify the applicant pursuant to section 41-1074. If the department requires additional information to make a decision on licensure, the department shall notify the applicant pursuant to section 41-1075. The department shall send notices under this subsection to the applicant's last known residential address and shall include sufficient information to assist the applicant to complete the application process. The applicant has forty-five calendar days from the date of notification to provide the additional documentation. If the applicant fails to respond within forty-five calendar days, the application and any certificates issued are automatically suspended until the department receives the necessary documentation to approve or deny the application.

32-2614. Issuance of an agency license and identification card; deadline for completing application

- A. The department shall issue an agency license under this article to any applicant who satisfactorily complies with this chapter. Each agency license shall contain the name and address of such licensee and the number of the license and shall be issued for a period of two years.

B. Upon the issuance of an agency license, an identification card as described in section 32-2633 shall be issued to such licensee if an individual, or if such licensee is other than an individual, to its qualifying party, associates, resident managers and each of its resident officers, associates, directors and partners. The identification card is evidence that the licensee is duly licensed pursuant to this chapter. If any person to whom the card of an agency licensee, other than an individual, is issued terminates the person's position, office or association with the licensee, the person shall surrender the card to the licensee and within five business days the licensee shall mail or deliver the card to the director for cancellation. If the person fails or refuses to surrender the card to the licensee, the licensee shall notify the director within five business days of the termination of the person's position, office or association with the licensee.

C. On notification by the department to an applicant that the agency license is ready for issuance, the applicant shall complete the application process within ninety calendar days. Failure to complete the process results in the application being canceled and the applicant forfeits all fees. Subsequent application by the same applicant requires the payment of all application and license fees prescribed pursuant to section 32-2607.

D. An agency licensee shall, within thirty calendar days, notify the department in writing of any change in the name or address of the business or any change of associates or directors.

32-2616. Qualifying party: responsibilities

A. An applicant for an agency license shall have a qualifying party.

B. For a sole proprietorship, the qualifying party shall be the agency licensee.

C. For a partnership, corporation or limited liability company, the qualifying party shall be the individual who is liable for managing the agency. All other partners or corporate officers shall register as associates pursuant to article 3 of this chapter.

D. If the qualifying party lives outside this state, the qualifying party shall designate a resident manager who is a manager of the agency, who maintains full-time legal residency in this state and who meets the requirements of sections 32-2612 and 32-2613.

E. If required, the qualifying party shall maintain workers' compensation insurance in effect.

32-2617. Branch office certificate

A. A licensee may not establish a branch office of a licensed agency unless the department has issued a branch office certificate.

B. A branch office certificate authorizes the qualifying party of an agency licensee to conduct the business of a private security guard service agency in this state at a location other than the principal place of business shown on the agency license.

C. An application for a branch office certificate shall be on such form as the department prescribes.

D. The branch office certificate shall be issued in the name of the licensed agency only.

Article 3 Registration Certificates

32-2621. Necessity of security guard registration

A. No person, except a regularly commissioned peace officer, shall act, attempt to act or represent himself as a security guard unless such person is registered as a guard pursuant to this chapter and acting within the scope of his employment for an agency licensed pursuant to article 2 of this chapter.

B. The provisions of this article shall not apply to individual agency licensees or to qualifying parties, officers, directors, partners or managers of an agency licensee who are licensed pursuant to article 2 of this chapter.

32-2622. Qualifications of applicant for associate security guard or armed security guard registration certificate

A. An applicant for an associate or a security guard registration certificate issued pursuant to this article shall:

1. Be at least eighteen years of age.
2. Be a citizen or legal resident of the United States who is authorized to seek employment in the United States.
3. Not have been convicted of any felony or currently be under indictment for a felony.
4. Within the five years immediately preceding the application for an associate, security guard or armed security guard registration certificate, not have been convicted of any misdemeanor act involving:
 - (a) Personal violence or force against another person or threatening to commit any act of personal violence or force against another person.
 - (b) Misconduct involving a deadly weapon as provided in section 13-3102.
 - (c) Dishonesty or fraud.
 - (d) Arson.
 - (e) Theft.
 - (f) Domestic violence.
 - (g) A violation of title 13, chapter 34 or 34.1 or an offense that has the same elements as an offense listed in title 13, chapter 34 or 34.1.
 - (h) Sexual misconduct.
5. Not be on parole, on community supervision, on work furlough, on home arrest, on release on any other basis or named in an outstanding arrest warrant.
6. Not be serving a term of probation pursuant to a conviction for any act of personal violence or domestic violence, as defined in section 13-3601, or an offense that has the same elements as an offense listed in section 13-3601.
7. Not be either of the following:
 - (a) Adjudicated mentally incompetent.
 - (b) Found to constitute a danger to self or others pursuant to section 36-540.
8. Not have a disability as defined in section 41-1461, unless that person is a qualified individual with a disability as defined in section 41-1461.
9. Not have been convicted of acting or attempting to act as an associate security guard or armed security guard without a license if a license was required.

B. An applicant for an armed security guard registration certificate issued pursuant to this chapter shall:

1. Meet the requirements of subsection A of this section.
2. Successfully complete all background screening and training requirements.
3. Not be a prohibited possessor as defined in section 13-3101 or as described in 18 United States Code section 922.
4. Not have been discharged from the armed services of the United States under other than honorable conditions.
5. Not have been convicted of any crime involving domestic violence as defined in section 13-3601.

32-2623. Application for employee registration certificate

A. Every application for an employee registration certificate must set forth verified information to assist the department in determining the applicant's ability to meet the requirements set forth in this chapter, as follows:

1. The full name and address of the applicant.
2. Fingerprints of the applicant of a quality and number prescribed by the department for the purpose of obtaining state and federal criminal records checks pursuant to section 41-1750 and Public Law 92-544. The department may exchange this fingerprint data with the federal bureau of investigation. The department may conduct periodic state criminal history checks to ensure continued qualification under this chapter.
3. Photographs of the applicant of a number and type prescribed by the department.
4. Such other information, evidence, statements or documents as may reasonably be required by the department.

B. An application for an original or renewal security guard or armed security guard registration certificate shall be accompanied by:

1. The fees prescribed pursuant to section 32-2607.
2. A statement from the applicant's employer requesting and authorizing armed security guard registration status for the applicant.

C. If an application is incomplete, the department shall notify the applicant pursuant to section 41-1074. If the department requires additional information to make a decision on registration, the department shall notify the applicant pursuant to section 41-1075. The department shall send notices issued under this subsection to the applicant's last known residential address and shall include sufficient information to assist the applicant to complete the application process. The applicant has forty-five calendar days from the date of notification to provide the additional documentation. If the applicant fails to respond within forty-five calendar days, the application and any certificates issued are automatically suspended until the department receives the necessary documentation to approve or deny the application.

32-2624. Issuance of security guard registration certificate and identification card

A. After investigation, the department shall issue a security guard registration certificate or armed security guard registration certificate under this chapter to any applicant who satisfactorily complies with this chapter. Each security guard registration certificate shall contain the name and address of the registrant and the number of the certificate and shall be issued for two years.

B. When a security guard registration certificate is issued, an identification card as described in section 32-2633 shall be issued to the registrant. The identification card is evidence that the person is a duly registered security guard. An employee must obtain an armed security guard registration certificate and identification card for each sponsoring agency licensee.

C. A security guard employee may not possess or carry a firearm while on official duty unless the employee is currently registered as an armed security guard and is authorized by the person's employer to possess or carry the firearm.

D. A security guard shall notify the director within fifteen calendar days of any change in the security guard's name or residential address.

E. The department shall not issue a security guard provisional certificate.

32-2632. Duty of licensee to provide training of security guards; records; firearms training

A. An agency licensee shall provide eight hours of preassignment training of all persons employed as security guards before the employee acts in the capacity of a security guard. The required training curriculum shall be established by the department.

B. All renewal applicants shall complete eight hours of refresher training within ninety days before submitting a renewal application. The department shall establish the required training curriculum.

C. Every agency licensee shall keep an accurate and current record of pertinent information on all persons employed as security guards, which shall be made available to the department in the event of an alleged violation of this chapter.

D. At least sixteen hours of initial firearms instruction and eight hours annual continuing firearms instruction in the use of the weapon used by the security guard is required if a firearm is used within the scope of employment. All firearms training and qualifications shall be conducted by a firearms instructor certified by the department and shall be completed before the security guard is assigned to any position requiring the carrying of a firearm. The licensee shall provide a monthly report to the department identifying all armed security guards employed by the agency.

E. The department shall adopt rules for both of the following:

1. Certification of firearms instructors who provide the firearms training required by subsection D.
2. A firearms training curriculum.

32-2633. Identification cards

Each holder of a license or registration certificate issued under this chapter shall obtain a standard identification card that is issued by the department. The department shall determine the size and design of the identification card and the card shall contain the following information:

1. Name of employee.
2. Date of expiration.
3. Photograph of employee.
4. Physical description of employee.
5. Employee's registration number.
6. If the employee is an armed security guard, information identifying the employee as an armed security guard and the name of the authorizing employer.
7. Such other information as may be determined necessary by the director.

32-2634. Authority; limitations

A person employed as a security guard or armed security guard shall not possess the authority of a regularly commissioned police or peace officer. Any duties performed by a security guard or armed security guard shall be performed in the capacity of a private citizen.

32-2635. Uniform and insignia

A. The particular type of uniform and insignia for a security guard or an armed security guard shall be subject to approval according to rules adopted by the department and shall be such that it will not deceive or confuse the public or be identical with that of any law enforcement officer of the federal government, this state or any political subdivision of this state. Shoulder

identification patches shall be worn on all uniform jackets, coats and shirts and shall include the name of the agency licensee. Shoulder identification patches or emblems shall not be less than two inches by three inches in size.

B. No badge or shield shall be worn or carried by a security guard, an armed security guard or an employee or registrant of any patrol service agency or private security guard agency, unless previously approved by the director.

32-2636. Grounds for disciplinary action; emergency summary suspension; judicial review

A. The following constitute grounds for disciplinary action against a licensee or registrant, or if the licensee is other than an individual, against its qualifying party or any of its associates, directors or managers:

1. Using any letterhead, advertisement or other printed matter to represent, or in any other manner representing, that the licensee, registrant, qualifying party or associate, director or manager is an instrumentality of the federal government or any state or political subdivision of a state.
2. Using a name that is different from that under which the licensee, registrant, qualifying party or associate, director or manager is currently licensed or registered for any advertisement, solicitation or contract to secure business under this chapter unless the name is an authorized fictitious name.
3. Falsifying fingerprints, photographs or other documents while operating pursuant to this chapter.
4. Impersonating, or permitting or aiding and abetting an employee to impersonate, a law enforcement officer or employee of the United States or any state or political subdivision of a state.
5. Knowingly violating, or advising, encouraging or assisting in the violation of, any statute, court order, warrant or injunction in the course of business as a licensee or registrant under this chapter.
6. Committing or knowingly permitting any employee to commit any violation of this chapter or rules adopted pursuant to this chapter.
7. Committing an act of misconduct involving a weapon pursuant to section 13-3102.
8. Conviction of a felony.
9. Conviction of any act of personal violence or force against any person or conviction of threatening to commit any act of personal violence or force against any person.
10. Fraud or wilful misrepresentation in applying for an original license or registration or the renewal of an existing license or registration.
11. Soliciting business for an attorney in return for compensation.
12. Conviction of any act constituting fraud.
13. Being on parole, on community supervision, on work furlough, on home arrest, on release on any other basis or named in an outstanding arrest warrant.
14. Serving a term of probation pursuant to a conviction for any act of personal violence or domestic violence as defined in section 13-3601 or an offense that has the same elements as a domestic violence offense listed in section 13-3601, subsection A.
15. Wilfully failing or refusing to render client services or a report as agreed between the parties and for which compensation has been paid or tendered pursuant to the agreement of the parties.

16. The unauthorized release of information acquired on behalf of a client by a licensee, associate or registrant as a result of activities regulated under this chapter.
 17. Failing or refusing to cooperate with or refusing access to an authorized representative of the department engaged in an official investigation pursuant to this chapter.
 18. Employing or contracting with any unregistered or improperly registered person or unlicensed or improperly licensed person or agency to conduct activities regulated under this chapter if the licensure or registration status was known or could have been ascertained by reasonable inquiry.
 19. Permitting, authorizing, aiding or in any way assisting a registered employee to conduct services as described in this chapter on an independent contractor basis and not under the authority of the licensed agency.
 20. Failing to maintain in full force and effect workers' compensation insurance, if applicable.
 21. Conducting security guard services regulated by this chapter on an expired, revoked or suspended license or registration.
 22. Accepting employment, contracting or in any way engaging in employment that has an adverse impact on security guard services being conducted on behalf of clients.
 23. Advertising in a false, deceptive or misleading manner.
 24. Failing to display on request the identification card issued by the department pursuant to section 32-2624.
 25. Committing any act of unprofessional conduct.
 26. Being arrested for any offense listed in this chapter that would disqualify the licensee, registrant, qualifying party or any of its associates, directors or managers from obtaining a license or registration.
- B. An officer, director, associate, partner, qualifying party, employee or manager of the holder of an agency license issued pursuant to this chapter who is found in violation of this chapter shall be denied the privilege of operating under such a license. The remaining officers, directors, associates, partners, employees or managers of such licensee who are innocent of such violations may carry on the business.
- C. Any person aggrieved by a decision of the director may request a hearing pursuant to title 41, chapter 6, article 10. Except as provided in section 41-1092.08, subsection H, final decisions of the director are subject to judicial review pursuant to title 12, chapter 7, article 6.
- D. On completion of an investigation, the director:
1. May dismiss the case.
 2. May take emergency action.
 3. May issue a letter of concern, if applicable.
 4. May forward the findings to the board for review and possible disciplinary action.
 5. Shall place all records, evidence, findings and conclusions and any other information pertinent to the investigation in the public records section of the file maintained at the department.
 6. Shall suspend the license or registration of a person who is arrested for an offense listed in this chapter that would disqualify the person from obtaining a license or registration.
- E. A letter of concern is a public document and may be used in future disciplinary actions against a licensee or registrant.
- F. If the department finds, based on its investigation, that the public health, safety or welfare requires emergency action, the director may order a summary suspension of a license or registration pending proceedings for revocation or other action. If the director issues this order, the department shall serve the licensee or registrant with a written notice of complaint

and formal hearing, setting forth the charges made against the licensee or registrant and the licensee's or registrant's right to a formal hearing before the board pursuant to title 41, chapter 6, article 10.

G. If the department finds, based on its investigation, that a violation of subsection A of this section occurred, a hearing by the board may be scheduled pursuant to title 41, chapter 6, article 10. Notice of the hearing shall be sent by certified mail, return receipt requested, to the licensee's or registrant's last known address in the department's files.

H. Based on information the board receives during a hearing pursuant to title 41, chapter 6, article 10, it may recommend to the director that the director:

1. Dismiss the complaint if the board believes it is without merit.
2. Fix a period and terms of probation best adapted to protect the public health and safety and to rehabilitate or educate the licensee or registrant.
3. Place the license or registration on suspension for a period of not more than twelve months.
4. Revoke the license or registration.

I. The director shall review the records of a finding by the board involving a disciplinary action and may affirm, reverse, adopt, modify, supplement, amend or reject the recommendation of the board. On a finding by the board and review and concurrence by the director that a licensee or registrant committed a violation of subsection A of this section, the probation, suspension or revocation applies to all licenses or registrations held by a licensee or registrant under this chapter.

32-2637. Violations; classification

Any person who violates any of the provisions of this chapter is guilty of a class 1 misdemeanor.

32-2638. Disclosure of information to law enforcement officer or county attorney

Any licensee or registrant under this chapter shall, upon demand, divulge to any law enforcement officer or county attorney any information he may acquire as to any criminal offense.

32-2639. Authority to investigate complaint; filing and response to complaints; retention of records

A. The department may investigate any licensee, registrant, associate, employee or person if that licensee, registrant, associate, employee or person advertises as providing or performs services that require licensure or registration under this chapter.

B. The department shall investigate whether a licensee or registrant is engaged in activities that do not comply with or are prohibited by this chapter.

C. The department shall enforce this chapter without regard to the place or location in which a violation may have occurred.

D. On the complaint of any person or on its own initiative, the department may investigate any suspected violation of this chapter or the business and business methods of any licensee, registrant or employee of a licensee or applicant for licensure or registration under this chapter.

E. A complaint filed against any licensee, associate, registrant or employee of a licensee must be in writing, on a form prescribed by the department and filed with the department.

F. In any investigation by the department, each licensee, associate, registrant, applicant, agency or employee, on request of the department, shall provide records and truthfully

respond to questions concerning activities regulated under this chapter. The licensee shall maintain these records for five years at the licensee's principal place of business or at another location for a person whose license has been terminated, canceled or revoked. At the department's request, the licensee shall make the records available immediately to the department during normal business hours or at another time acceptable to the parties, unless the department grants an extension. The licensee shall provide copies of any records requested by the department.

32-2640. Grounds for refusal to issue or renew an agency license; judicial review; good cause exceptions

A. Except as provided in subsection E of this section, the department may deny the issuance or renewal of an agency license if the individual applicant or, if the applicant is other than an individual, any qualifying party:

1. Does not meet the requirements prescribed in section 32-2612.
2. Has committed any act that, if committed by a licensee, would be grounds for the suspension or revocation of a license pursuant to this chapter.
3. Has been refused a license under this chapter, or had such a license revoked or has been an associate of any applicant or licensee who has been refused a license under this chapter or who has had a license revoked.
4. While not licensed under this chapter, has committed or aided and abetted the commission of any act for which a registration certificate is required by this chapter or has acted, or attempted to act, as a private security guard service or a security guard.
5. Has knowingly made any false statement in the application.
6. Failed to provide adequate verification of required experience.

B. The denial of the issuance of an agency license or identification card under this chapter shall be in writing and shall describe the basis for the denial. The denial notice shall inform the applicant that if the applicant desires a hearing by the board to contest the denial, the applicant shall submit the request in writing to the department within thirty calendar days after service of the denial. Service is complete on the mailing of the denial to the address listed on the application.

C. Except as provided in section 41-1092.08, subsection H, final decisions of the director are subject to judicial review pursuant to title 12, chapter 7, article 6.

D. If an applicant is denied an agency license, the applicant may petition the board for a good cause exception.

E. If the board granted a licensee a good cause exception pursuant to section 32-2609, the department may not deny the licensee's renewal application based on factors already reviewed by the board when granting the good cause exception.

32-2641. Grounds for refusal to issue a security guard identification card or registration certificate; judicial review; good cause exceptions

A. Except as provided in subsection F of this section, the department may deny the issuance of an identification card to an applicant for a security guard registration certificate or an armed security guard registration certificate if the applicant:

1. Does not meet the requirements prescribed in section 32-2622 for the appropriate type of certificate.
2. Has committed any act which would be grounds for the suspension or revocation of a security guard registration pursuant to this chapter.

3. Has knowingly made any statement which is false in the application.

B. If the director determines that an applicant's criminal history contains open arrest information, the director shall:

1. Issue a notice to the applicant allowing forty-five days for the applicant to provide documentation concerning the disposition of the arrest or arrests.

2. Send to the applicant at the applicant's last known residential address sufficient information to assist the applicant in complying with the director's request under paragraph 1 of this subsection.

C. The denial of the issuance of a registration certificate under this article shall be in writing and shall describe the basis for the denial. The denial notice shall inform the applicant that if the applicant desires a hearing by the board to contest the denial the applicant shall submit the request in writing to the department within thirty calendar days after service of the denial notice. Service is complete on the mailing of the denial to the address listed on the application.

D. Except as provided in section 41-1092.08, subsection H, final decisions of the director are subject to judicial review pursuant to title 12, chapter 7, article 6.

E. If an applicant is denied a registration certificate, the applicant may petition the board for a good cause exception.

F. If the board granted an applicant for a security guard registration certificate or an armed security guard registration certificate a good cause exception pursuant to section 32-2609, the department may not deny the person's renewal application based on factors already reviewed by the board when granting the good cause exception.

32-2642. Notice of arrest

Within forty-eight hours after being arrested, a security guard or an armed security guard shall notify the employer of the arrest. Within twenty-four hours after receiving notice of the arrest, the employer shall notify the department of the arrest.